

Designation Run Report

Boggs, Gary - Merged PComp DC 5-27-21 430p

Boggs, Gary 01-17-2019

Defendants' Counters 00:25:02

Plaintiffs' Completeness 00:00:08

Total Time 00:25:09



353:03 - 355:09

Boggs, Gary 01-17-2019 (00:02:55)

VM10a.4

353:3 Q. Mr. Boggs, good evening.

353:4 A. Good evening.

353:5 Q. I want to ask you briefly about your

353:6 career before McKesson. How long did you work at
353:7 the DEA?

353:8 A. Probably a little over 27 years.

353:9 Q. Okay. And why did you decide to leave

353:10 your position at the DEA?

353:11 A. As a special agent for the government,

353:12 they have mandatory retirement at age 57. There

353:13 are some exceptions that you can get a waiver,

353:14 which I was given a waiver for one year. I worked

353:15 for about six or so months into that waiver, and

353:16 then I decided that I wanted to retire and spend

353:17 more time with my grandchildren and my daughter.

353:18 Q. And how long were you retired before you

353:19 started to work again?

353:20 A. I retired the end of June of 2012. I

353:21 started doing some consulting probably around the

353:22 summer of 2013.

353:23 Q. And before you were at the DEA, what was

353:24 your job before that?

354:1 A. Before the DEA, I was a deputy sheriff

354:2 in Orange County, Florida, for about eight and a

354:3 half years.

354:4 Q. What did you do before that?

354:5 A. College student.

354:6 Q. Mr. Boggs, I want to ask you some

354:7 questions about diversion. What is diversion?

354:8 A. Diversion is the act of taking

354:9 pharmaceutical controlled substances out of the

354:10 closed system of distribution or from legitimate

354:11 channels, patients, and then moving them into --

354:12 outside of that for abuse.

354:13 Q. And at McKesson, is it your

354:14 responsibility to prevent diversion?

354:15 A. Well, we can certainly present --

354:16 prevent -- try to prevent some of diversion. We

354:17 certainly are not able to prevent all diversion.

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| 354:18 | Q. Well, why can't you prevent all | |
| 354:19 | diversion? | |
| 354:20 | A. Diversion can occur at different levels | |
| 354:21 | outside of the distribution's control. Diversion | |
| 354:22 | can occur at a pharmacy by an employee pilfering | |
| 354:23 | it. It can occur by a pharmacy being burglarized | |
| 354:24 | or robbed. Diversion can occur even after | |
| 355:1 | controlled substances have left with a legitimate | |
| 355:2 | patient and are sitting in a medicine cabinet of | |
| 355:3 | someone's home, and someone steals them out of | |
| 355:4 | that medicine cabinet, that's diversion. We | |
| 355:5 | certainly can't control that. | |
| 355:6 | Q. Everything you just described is a | |
| 355:7 | crime. Is that -- is there diversion other than | |
| 355:8 | crime? | |
| 355:9 | A. No, diversion -- | |
| 355:11 - 355:11 | Boggs, Gary 01-17-2019 (00:00:02) | VM10a.5 |
| 355:11 | THE WITNESS: Diversion is a crime. | |
| 355:19 - 355:22 | Boggs, Gary 01-17-2019 (00:00:07) | VM10a.6 |
| 355:19 | Q. Is diversion crime? | |
| 355:20 | A. In my opinion, it is, yes. | |
| 355:21 | Q. Is it always a crime? | |
| 355:22 | A. Yes. | |
| 356:14 - 356:22 | Boggs, Gary 01-17-2019 (00:00:31) | VM10a.7 |
| 356:14 | Q. And can you describe, what is a | |
| 356:15 | diversion trend? | |
| 356:16 | A. There's different types of schemes that | |
| 356:17 | can occur that would cause a -- what I would | |
| 356:18 | consider a trend. We've -- we've seen diversion | |
| 356:19 | trends, such as rogue internet pharmacies, be a | |
| 356:20 | diversion trend. It's a massive criminal scheme. | |
| 356:21 | We've seen pill mills in Florida. That's a | |
| 356:22 | diversion trend and is a criminal scheme. | |
| 357:05 - 360:23 | Boggs, Gary 01-17-2019 (00:04:35) | VM10a.8 |
| 357:5 | Q. Okay. Is that -- is that a diversion | |
| 357:6 | trend that you're particularly focused on now? | |
| 357:7 | A. We try to focus on anything within our | |
| 357:8 | ability to prevent diversion, and we see some pain | |
| 357:9 | management clinics that are rogue. We see some | |
| 357:10 | specifically bad doctors. They're -- they're | |

357:11 certainly not in the same context as what we knew
 357:12 like the Florida pill mills to be, they're nothing
 357:13 like that at all.

357:14 Q. Okay. What are diversion trends that
 357:15 are occurring -- that have been occurring since
 357:16 your time at McKesson?

357:17 A. Well, first, they're vastly different
 357:18 than before. They're looking at the pharmacies
 357:19 where the pharmacists or their staff may not be
 357:20 exercising appropriate due diligence. That can be
 357:21 one -- one area that we look at. We certainly
 357:22 still continue security measures around our
 357:23 facility.

357:24 Q. Well, what -- what do you do to keep
 358:1 abreast of diversion trends?

358:2 A. I read anything on the internet that I
 358:3 can identify as diversion trends. I read the
 358:4 National Survey on Drug Use and Health. I read
 358:5 the DEA's annual report that they would put out on
 358:6 their website on drug -- the national drug trend.
 358:7 We attend conferences such as the National
 358:8 Association of Drug Diversion Investigator
 358:9 conferences, the National Association of State
 358:10 Controlled Substance Authority, associations -- we
 358:11 attend those conferences. We attend other
 358:12 conferences where DEA might be a keynote speaker
 358:13 or break- -- have presentations at breakout
 358:14 groups.

358:15 Q. What if a doctor writes a large
 358:16 prescription, is that diversion?

358:17 A. It can be. It may not be. The mere
 358:18 fact that it's large in and of itself doesn't mean
 358:19 that it's diversion. For the -- part of the
 358:20 opioid epidemic has been fueled by
 358:21 overprescribing. That's not illegal prescribing
 358:22 but it's overprescribing.

358:23 Q. Can you explain what the difference --
 358:24 you just used two different terms,
 359:1 "overprescribing" and "illegal prescribing." Can
 359:2 you explain what you mean by those?

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359:3 A. Sure. Illegal prescribing would be when
359:4 a doctor would be complicit in a scheme that they
359:5 know the patient doesn't need it, the patient is
359:6 paying in cash, the doctor writes a prescription
359:7 for a patient they've never seen before or
359:8 examined before. The doctor meets -- meets
359:9 someone in a parking lot and writes a prescription
359:10 in exchange for money. Those would be illegal
359:11 prescriptions.

359:12 Overprescribing, on the other hand,
359:13 might be a situation where a doctor has a
359:14 legitimate patient, has a legitimate need for the
359:15 drugs, but instead of writing that prescription
359:16 for, say, 15 days, they write it for 30 days.
359:17 It's a perfectly legitimate prescription but it's
359:18 overprescribing. It's prescribing more than what
359:19 that patient would need.

359:20 Q. Can you give a -- can you give the jury
359:21 an example of a prescription that might be
359:22 overprescription -- that might be an
359:23 overprescription without being diversion?

359:24 A. Sure. You might have a patient go to a
360:1 dentist and have a tooth -- tooth extraction, and
360:2 the patient needs the medication for maybe a
360:3 couple of days, but the doctor writes it for
360:4 30 days. That's overprescribing.

360:5 Q. So does the -- does McKesson's
360:6 compliance program target overprescribing, as
360:7 you've just described it?

360:8 A. It -- it can't.

360:9 Q. Why not?

360:10 A. We don't see the prescription. We're
360:11 prohibited by law under HIPAA from knowing
360:12 anything about the patient or any consultation
360:13 between the patient and the doctor, and we don't
360:14 have access to prescription -- the prescription
360:15 itself.

360:16 Q. You were asked some questions earlier
360:17 today about towns that received larger volumes of
360:18 pills relative to their population. Do you

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| | 360:19 remember some of those questions? | |
| | 360:20 A. I do. | |
| | 360:21 Q. Do you know if those numbers are the | |
| | 360:22 result of diversion or of overprescribing? | |
| | 360:23 A. I don't. | |
| 361:02 - 361:05 | Boggs, Gary 01-17-2019 (00:00:08) | VM10a.9 |
| | 361:2 Q. If -- if you know, do you -- do you know | |
| | 361:3 if those numbers are the result of prescribing -- | |
| | 361:4 overprescribing or diversion? | |
| | 361:5 A. It could be a combination of both. | |
| 361:06 - 361:11 | Boggs, Gary 01-17-2019 (00:00:17) | VM10a.10 |
| | 361:6 Q. Are you able to say with any specificity | |
| | 361:7 how much overprescribing is part of the problem | |
| | 361:8 versus diversion? | |
| | 361:9 A. I -- it would be my experience that a -- | |
| | 361:10 a very large percentage of opioids that are out | |
| | 361:11 there are -- are through overprescribing. | |
| 361:14 - 362:02 | Boggs, Gary 01-17-2019 (00:00:37) | VM10a.11 |
| | 361:14 Q. While at McKesson, has your role | |
| | 361:15 included responsibility for submitting suspicious | |
| | 361:16 order reports? | |
| | 361:17 A. It has. | |
| | 361:18 Q. What is a suspicious order? | |
| | 361:19 A. A suspicious order would be an order | |
| | 361:20 placed by the customer that is -- has been deemed | |
| | 361:21 as an order of unusual size, an order that | |
| | 361:22 deviated substantially from a normal pattern or | |
| | 361:23 frequent -- unusual frequency. | |
| | 361:24 Q. Are you able to estimate roughly how | |
| | 362:1 many orders McKesson gets of unusual size, pattern | |
| | 362:2 or frequency in a given month? | |
| 362:04 - 362:04 | Boggs, Gary 01-17-2019 (00:00:01) | VM10a.12 |
| | 362:4 THE WITNESS: Probably thousands. | |
| 362:06 - 362:09 | Boggs, Gary 01-17-2019 (00:00:07) | VM10a.13 |
| | 362:6 Q. Mr. Boggs, I'll rephrase. | |
| | 362:7 Mr. Boggs, do you know how many | |
| | 362:8 suspicious orders McKesson reports to the DEA in a | |
| | 362:9 typical month? | |
| 362:11 - 365:11 | Boggs, Gary 01-17-2019 (00:03:11) | VM10a.14 |
| | 362:11 THE WITNESS: Thousands. | |

362:12 BY MR. STANNER:

362:13 Q. So does that mean that the customers who
362:14 place those suspicious orders are suspicious
362:15 customers?

362:16 A. Absolutely not.

362:17 Q. If a customer places a suspicious order,
362:18 does that mean the order is probably for some
362:19 illegal purpose?

362:20 A. Without knowing more about the customer
362:21 or more information, absolutely not.

362:22 Q. If a customer places a suspicious order,
362:23 does that mean that order is likely to be
362:24 diverted?

363:1 A. It does not.

363:2 Q. Well, if the orders are suspicious
363:3 orders, why doesn't that make the customers
363:4 suspicious?

363:5 A. I think that suspicion in this
363:6 particular context is not the type of suspicion
363:7 that -- in the way you and I might use the context
363:8 of suspicious. That's the term under the
363:9 regulation as to what it's called. But the order
363:10 is simply identified as an order of unusual size,
363:11 an order that deviates substantially from a normal
363:12 pattern or unusual frequency.

363:13 Q. So if you don't consider those orders
363:14 suspicious in the normal -- in the lay sense of
363:15 the term, why do you report them?

363:16 A. Because we have a regulatory obligation
363:17 to identify and report those orders that are
363:18 deemed under that three criteria.

363:19 Q. So can you give me an example of how a
363:20 legitimate pharmacy might place an order that you
363:21 would flag as suspicious, and yet not consider to
363:22 be suspicious in the lay sense?

363:23 A. You could have an order come in,
363:24 they're -- someone didn't put the correct amount
364:1 that they wanted. They fat fingered a number in
364:2 there and made a -- made an error, and they're
364:3 trying to order actually more than what they

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364:4 really intended to. But because that order was
 364:5 placed with us, that would be deemed as an order
 364:6 of unusual size and reported as suspicious.
 364:7 You may have a situation where a
 364:8 customer has an increase in demand a particular
 364:9 month and they've run out of supply, and when they
 364:10 place an order, it exceeds their threshold, so it
 364:11 might be unusual size.

364:12 Q. Can you -- can you give us an example of
 364:13 how a typical customer orders with McKesson for
 364:14 controlled substances?

364:15 A. Many of them order electronically
 364:16 through CSOS, the Controlled Substances Ordering
 364:17 System. It's an electronic ordering system.

364:18 Q. And how often do they place orders? A
 364:19 typical customer, how often does a typical
 364:20 customer place an order?

364:21 A. They may place orders daily. They
 364:22 may -- for a particular product, say, for example,
 364:23 hydrocodone, they may order a thousand count
 364:24 bottle today, and then they don't place any orders
 365:1 for hydrocodone over the next couple of days or a
 365:2 week or so until they need to replenish their
 365:3 stock.

365:4 Q. But would -- would that order of a
 365:5 thousand strike you as a suspicious order?

365:6 A. Not at all.

365:7 Q. If that customer -- you just said the
 365:8 customer might not order -- can you give me an
 365:9 example of how that customer's ordering pattern
 365:10 might play out over, say, ten days?

365:11 A. Again --

365:13 - 369:20

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VM10a.15

365:13 THE WITNESS: -- they may not order for
 365:14 a couple of days. They may order every day. They
 365:15 may have an automatic order -- ordering system in
 365:16 place that places the order repeatedly.
 365:17 There's a variety of different ways in
 365:18 which they would -- would order, and they may not
 365:19 -- they don't all order in the same fashion.

365:20 BY MR. STANNER:

365:21 Q. So if a customer orders in the way that
365:22 you just described, is that an unusual pattern or
365:23 frequency?

365:24 A. It may be an unusual frequency. It
366:1 could be, yes.

366:2 Q. Does that give you -- so -- so what
366:3 would you do if a customer ordered in that way?

366:4 A. We would -- if it triggered a suspicious
366:5 order, that order would be blocked, it would not
366:6 be shipped, and that order would be reported to
366:7 the DEA.

366:8 Q. Is it possible that a customer might be
366:9 suspicious without ever placing a, quote/unquote,
366:10 suspicious order under the regulation?

366:11 A. Yes.

366:12 Q. Can you give me an example of how that
366:13 might happen?

366:14 A. We may see the -- a customer's -- what
366:15 they are actually ordering may be isolated to a
366:16 particular product or a particular strength of a
366:17 product, and they're not ordering necessarily
366:18 anything else, but yet the orders that they are
366:19 placing are not unusual size, frequency or
366:20 pattern. Something like that might be a red flag
366:21 that would cause us to go out and look at that
366:22 customer and determine what's going on at that
366:23 customer.

366:24 Q. So if you were to find a customer that
367:1 was suspicious but had no history of suspicious
367:2 orders, what would you do?

367:3 A. We would -- depending upon the facts and
367:4 circumstances, we might do an onsite visit and
367:5 talk to the owner or the pharmacist in charge
367:6 there. We might get updated dispensing data from
367:7 the pharmacy on what they're actually dispensing
367:8 in total and review that from -- from the customer
367:9 to see if there's anything else that we need to be
367:10 concerned about, make some additional inquiries of
367:11 the customer as to what -- what's going on at

367:12 their facility.

367:13 Q. Would you -- would you consider

367:14 terminating a customer that had never placed a

367:15 suspicious order?

367:16 A. Many of the customers that we have

367:17 terminated may or may not have -- the reason for

367:18 the termination would not necessarily be that they

367:19 had or hadn't placed a suspicious order.

367:20 Q. In your position, do you ever review

367:21 reports of suspicious orders?

367:22 A. I receive them on a regular basis, and

367:23 from time to time during the week, I will -- I

367:24 will look at those reports, yes.

368:1 Q. Why do you look at the reports?

368:2 A. To see if there's anything in there that

368:3 I should be concerned about, or if there's

368:4 anything -- if a customer ordered an extremely

368:5 large volume of something that would have been

368:6 a -- not a typical order, I would be able to see

368:7 that, and maybe decide that someone from our team

368:8 needed to do some additional due diligence.

368:9 Q. How often do you look at a suspicious

368:10 order report and make a determination that

368:11 something -- some additional diligence is

368:12 warranted?

368:13 A. I look at them probably every day, every

368:14 other day. I mean, I look at them very

368:15 frequently, but rarely do I find anything that --

368:16 of concern in those.

368:17 Q. Does that mean that you rarely have

368:18 concerns about your customers, or -- is that what

368:19 you're saying, you rarely have concerns about your

368:20 customers?

368:21 A. No, it means that rarely do I find any

368:22 of those orders to be concerning. We do other due

368:23 diligence of our customers that that due

368:24 diligence -- because we're looking and knowing our

369:1 customer and conducting the due diligence of our

369:2 customer, that we find additional red flags that

369:3 are not borne out in a suspicious order report.

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369:4 Q. So -- so is the suspicious order report
 369:5 that you get every day, do you consider that a
 369:6 useful tool for detecting potential diversion?
 369:7 A. I do not.
 369:8 Q. What other tools do you consider useful
 369:9 in detecting diversion?
 369:10 A. The tools that we use are things like we
 369:11 get detailed questionnaires completed by the
 369:12 customer that might -- depending upon their
 369:13 responses to the questions in there, may be of a
 369:14 concern and help us identify something. Asking
 369:15 the customer to provide dispensing data to us, and
 369:16 we look at that dispensing data, and that would
 369:17 provide some additional information. Looking at
 369:18 purchase history of that customer. Looking on the
 369:19 Board of Pharmacy website for sanctions for that
 369:20 customer provides us useful information.

375:02 - 376:04

Boggs, Gary 01-17-2019 (00:01:18)

VM10a.16

375:2 Q. So if -- if this report is -- does not
 375:3 trigger diligence of these customers, what does
 375:4 trigger diligence of these customers?
 375:5 A. What triggers diligence within McKesson
 375:6 in our Controlled Substance Monitoring Program, it
 375:7 starts with determining whether or not McKesson --
 375:8 a prospective new customer, whether or not we feel
 375:9 comfortable enough with that new customer's
 375:10 business model and their due diligence themselves
 375:11 and their corresponding responsibility, whether or
 375:12 not we will initially ship to them in the first
 375:13 place. And that doesn't always happen. Some we
 375:14 deny onboarding them as a customer for controlled
 375:15 substances.
 375:16 The other things that may come up is if
 375:17 a customer asked for a threshold change request to
 375:18 increase their base codes for a particular
 375:19 product, under our program, not only do we
 375:20 evaluate the merits of the inquiries, but we take
 375:21 that opportunity to refresh our due diligence of
 375:22 the customer each and every time.
 375:23 We also have situations such as what we

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| 375:24 376:1 376:2 376:3 376:4 | call an event trigger. If we receive a subpoena from a government agency or an inquiry from a government agency, that would trigger another due -- that would trigger a due diligence review of that customer. | |
| 377:13 - 377:18 | Boggs, Gary 01-17-2019 (00:00:14) | VM10a.17 |
| 377:13 377:14 377:15 377:16 377:17 377:18 | Q. Okay. So you were asked a number of questions earlier -- well, let me just ask, Mr. Boggs, are you aware that for some period of time McKesson stopped making automated suspicious order reports like this one to the Drug Enforcement Administration? | |
| 377:23 - 379:15 | Boggs, Gary 01-17-2019 (00:01:36) | VM10a.18 |
| 377:23 377:24 378:1 378:2 378:3 378:4 378:5 378:6 378:7 378:8 378:9 378:10 378:11 378:12 378:13 378:14 378:15 378:16 378:17 378:18 378:19 378:20 378:21 378:22 378:23 378:24 379:1 | THE WITNESS: Well, since my time at McKesson, I know that they did not make some reports at that -- during periods of time. BY MR. STANNER: Q. And do you believe that the failure to report contributed to the opioid crisis? A. I don't, because the order may very well have been blocked and not shipped. It doesn't mean it was reported or not reported, but the order may have been blocked, and McKesson was blocking orders for quite some time. Q. Okay. How long have you been at McKesson now, Mr. Boggs? A. A little over five years. Q. Have you seen anything in your time at McKesson to make you think that McKesson is responsible for the opioid crisis? A. I have not. Q. Do you think that McKesson takes its -- its obligations -- its regulatory obligations seriously? A. I do. In fact, if I didn't think they did, I wouldn't work for them. Q. Well, when you went to work for them, did you have -- was it -- was it your impression that they took the regulatory obligations seriously then? | |

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379:2 A. It was my understanding that they -- I
 379:3 mean they hired me. That was an example that they
 379:4 were taking their regulatory obligations
 379:5 seriously. People that I had talked to during the
 379:6 consulting periods of time, I was -- the
 379:7 impression I had was that McKesson took the
 379:8 regulatory obligations seriously.
 379:9 Q. When you say the people that you -- took
 379:10 their regulatory obligations seriously, who -- who
 379:11 do you have in mind? Did you -- did you ever
 379:12 meet, for example, Don Walker?
 379:13 A. I did.
 379:14 Q. What were your impressions of Don
 379:15 Walker?

379:17 - 380:16

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VM10a.19

379:17 THE WITNESS: That he was attempting to
 379:18 do the right thing and he took his regulatory
 379:19 obligations seriously. He hired me for
 379:20 consulting, and then ultimately hired me in the
 379:21 role that I'm in now.
 379:22 BY MR. STANNER:
 379:23 Q. Have you ever seen anything in your time
 379:24 at McKesson that makes you think that McKesson
 380:1 would prioritize profits over following the law?
 380:2 A. I have not.
 380:3 Q. In your time at McKesson, have you ever
 380:4 suggested terminating a customer and had the
 380:5 company push back on that?
 380:6 A. I have not. They -- I have unilateral
 380:7 authority to terminate a customer regardless of
 380:8 any financial gain or loss to the company or
 380:9 financial gain or loss to the -- to the customer.
 380:10 And since I've been at McKesson, our program has
 380:11 probably stopped shipping to 250-some-odd
 380:12 customers.
 380:13 Q. You -- you were asked some questions
 380:14 earlier about McKesson's algorithm. How long did
 380:15 it take to develop McKesson's current algorithm
 380:16 for thresholds?

380:19 - 381:11

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VM10a.20

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380:19 THE WITNESS: It's taken years.

380:20 BY MR. STANNER:

380:21 Q. Can you be more specific?

380:22 A. We've -- I believe it was probably

380:23 sometime in either late 2014 or early 2015, or

380:24 whatever, when we engaged the Analysis Group, an

381:1 outside third party, to come in and conduct a

381:2 review of the data. We met with them numerous

381:3 times. Continue to meet with them. We

381:4 established some initial algorithms, recognized

381:5 that there needed to be some modifications,

381:6 continued to tweak and adjust those modifications.

381:7 And we are still in -- looking at that for

381:8 different segments within the company. It's taken

381:9 years.

381:10 Q. Why -- why does it take years to develop

381:11 an algorithm like that?

381:14 - 383:04

Boggs, Gary 01-17-2019 (00:01:56)

VM10a.21

381:14 Q. Mr. Boggs, did you personally -- were

381:15 you personally involved in working with the team

381:16 to build the algorithm?

381:17 A. I was.

381:18 Q. Okay. Why did it take years to develop?

381:19 A. Even though you can have statistically

381:20 sound or recognized within the mathematical

381:21 community of sound, acceptable practice of

381:22 methodologies, those methodologies are not one

381:23 size fits all. You have various different markets

381:24 or different customers. You have hospitals, you

382:1 have practitioners, you have long-term care

382:2 facilities, you have -- all of those are very

382:3 different from one another. And so when you try

382:4 to establish that and come up with a methodology

382:5 or threshold algorithms, it's very challenging.

382:6 It's also -- we see differences around

382:7 the United States, different -- different

382:8 prescribing patterns by the doctors in and around

382:9 the States, so it's -- it's very difficult to do.

382:10 Q. So, I want you to just focus

382:11 specifically on retail pharmacies, not -- not

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382:12 necessarily hospitals. I take your point. Not
 382:13 necessarily hospitals.
 382:14 Focusing just on pharmacies, why not
 382:15 just set a threshold of 8,000 or 20,000 or 50,000?
 382:16 A. Because there's various -- different
 382:17 businesses require different quantities to meet
 382:18 their legitimate patients. You have some
 382:19 customers also that are part of a buying group,
 382:20 and they self-warehouse, and so they might
 382:21 purchase certain products through their
 382:22 self-warehouse, but then they purchase some from
 382:23 McKesson.
 382:24 Some customers obviously are sound
 383:1 business folks. They shop around. They purchase
 383:2 some stuff from one distributor; they purchase
 383:3 some stuff from another distributor.
 383:4 So those are just some examples.

384:22 - 385:21

Boggs, Gary 01-17-2019 (00:01:02)

VM10a.22

384:22 Q. Do you conduct site visits as part of
 384:23 your diligence program?
 384:24 A. That is part of our due diligence
 385:1 program, yes.
 385:2 Q. Is it an important part of the program?
 385:3 A. It's -- it's a component of it. It --
 385:4 it can be important, but it's a -- it's a
 385:5 component of the program.
 385:6 Q. Would you say it's the most important
 385:7 component in your diligence program?
 385:8 A. No.
 385:9 Q. Why not?
 385:10 A. We can identify red flags sometimes
 385:11 through statistical analysis or we can ask the
 385:12 customer to provide us dispensing data. Our
 385:13 review may find that there is a board sanction
 385:14 from the Board of Pharmacy that we can do online.
 385:15 We don't need to do a site visit to -- to obtain
 385:16 that. In fact, a site visit we wouldn't be able
 385:17 to get that.
 385:18 We may find something on the internet
 385:19 that -- that would cause us concern. There's

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385:20 other ways and tools in which we use to exercise
385:21 our due diligence.

Defendants' Counters = 00:25:02

Plaintiffs' Completeness = 00:00:08

Total Time = 00:25:09